

MINUTES OF THE CITY COUNCIL

SAN JOSE, CALIFORNIA

TUESDAY, MAY 25, 2004

The Council of the City of San Jose convened in Regular Session at 9:36 a.m. in Council Chambers at City Hall.

Present: Council Members: Campos, Chavez, Chirco, Cortese, Dando, LeZotte, Reed, Williams, Yeager.

Absent: Council Members: Gregory; Gonzales (excused).

Upon motion unanimously adopted, the City Council recessed to Closed Session at 9:35 a.m. in Room 600 to (A) confer with Legal Counsel regarding existing litigation pursuant to Government Code Section 54956.9 Subsection (a) to consider cases of Preservation Action Council of San José v. City of San José, et al, Rogers, et al. v. City of San José, et al, Proposition 22 Legal Defense & Education Fund, et al. v. Gonzales, et al.; (B) to confer with Legal Counsel regarding anticipated litigation (a) of a matter where there is significant exposure to litigation pursuant to subsection (C) confer with Labor Negotiator pursuant to Government Code Section 54957.6: City Negotiator: City Manager designee Alex Gurza and Employee Organizations: San José Police Officers' Association, International Association of Firefighters, Municipal Employees Federation, Confidential Employees Organization, City Association of Management Personnel, Association of Maintenance Supervisory Personnel, Operating Engineers; Local 3, International Brotherhood and Electrical Workers, and Association of Building and Mechanical and Electrical Inspectors.

By unanimous consent, Council reconvened from Closed Session and recessed at 10:45 a.m. and reconvened at 1:35 p.m. in Council Chambers, City Hall.

Present: Council Members: Campos, Chavez, Chirco, Cortese, Dando, LeZotte, Reed, Williams, Yeager; Gonzales.

Absent: Council Members: Gregory; Gonzales (excused).

INVOCATION (DISTRICT 5)

Sylvia Lowe- Volunteer Tour Guide at the Chinese Cultural Garden at Overfelt Gardens Park read Confucius' "Discourse of the Great Harmony".

PLEDGE OF ALLEGIANCE

Mayor Gonzales led the Pledge of Allegiance.

ORDERS OF THE DAY

Upon motion by Council Member Williams, seconded by Council Member Chavez, an unanimously carried, the Order of the Day and the Amended Agenda were approved (9-0-2). Absent: Gregory; Gonzales.

CEREMONIAL ITEMS

1.1 Presentation of a commendation to Damian Trujillo, reporter, NBC11, for being named Reporter of the Year. (Campos)

Action: Mayor Gonzales and Council Member Campos presented a commendation to Damian Trujillo in honor of his being named Reporter of the Year for NBC11.

CONSENT CALENDAR

Upon motion by Council Member Chavez, seconded by Council Member Cortese and unanimously carried, the Consent Calendar was approved as indicated with the exception of, Item 2.7 (pulled by Council Member Williams and Item 2.14 was pulled by Council Member Cortese) (9-0-2). Absent: Gregory; Gonzales.

2.2 Final adoption of ordinances:

- (a) **ORD. NO. 27142 – Adds Chapter 25.17 to Title 25 of the San José Municipal Code to provide for recovery of emergency response costs for security breaches at the Norman Y. Mineta San José International Airport.**

Documents Filed: Proof of publication of title of Ordinance No. 27142 executed on May 18, 2004, submitted by the City Clerk.

Action: Ordinance No. 27142 was adopted. (9-0-2). Absent: Gregory; Gonzales.

- (b) **ORD. NO. 27143 – Adds Chapter 10.43 to Title 10 of the San José Municipal Code to provide for the recovery of false emergency response costs.**

Documents Filed: Proof of publication of title of Ordinance No. 27143 executed on May 18, 2004, submitted by the City Clerk.

Action: Ordinance No. 27143 was adopted. (9-0-2). Absent: Gregory; Gonzales.

- (c) **ORD. NO. 27144 – Adds Section 1.08.016 to Chapter 1.08 of Title 1 of the San José Municipal Code to provide for the recovery of the costs of investigation and monitoring, and attorney's fees in Code Enforcement actions.**

Documents Filed: Proof of publication of title of Ordinance No. 27144 executed on May 18, 2004, submitted by the City Clerk.

2.2 (Cont'd.)

Action: Ordinance No. 27144 was adopted. (9-0-2). Absent: Gregory; Gonzales.

2.3 **Approval of an ordinance amending Sections 4.76.290, 4.76.345, and 4.76.820 of Chapter 4.76 of Title 4 of the San José Municipal Code to retroactively provide a 45 day grace period for new businesses, retroactively replace the financial hardship refund procedure with a financial hardship exemption, increase the authority of the Director of Finance to compromise claims involving the payment of the business tax, including penalties, and interest, and add a new Section 4.76.746 to retroactively exempt family caregivers and authorize certain refunds of the business tax, interest, and penalties. CEQA: Exempt, PP 04-05-170. (City Attorney's Office)**

Documents Filed: Memorandum from City Attorney Richard Doyle, dated May 20, 2004, recommending approval of said ordinance.

Action: Ordinance No. 27157 entitled, “An Ordinance of the City of San José Amending Sections 4.76.290, 4.76.345, and 4.76.820 of Chapter 4.76 of Title 4 of the San José Municipal Code to Retroactively Provide a 45 Day Grace Period for New Businesses, to Retroactively Replace the Financial Hardship Refund Procedure with a Financial Hardship Exemption, to Increase the Authority of the Director of Finance to Compromise Claims Involving the Payment of the Business Tax, Including Penalties and Interest, to Add a New Section 4.76.746 to Retroactively Exempt Family Caregivers, and to Authorize Certain Refunds of the Business Tax, Interest and Penalties”, was passed for publication. (9-0-2). Absent: Gregory; Gonzales.

2.4 **Adoption of the following appropriation ordinance amendments in the General Fund to:**

- (a) Decrease Contingency Reserve by \$250,000; and**
 - (b) Increase Senior Staff Home Loan Appropriation by \$250,000.**
- CEQA: Not a Project. (City Manager's Office)**

Documents Filed: Memorandum from Budget Director, Larry D. Lisenbee, dated May 6, 2004, recommending the adoption of said appropriation ordinance.

Action: Ordinance No. 27158 entitled, “An Ordinance of the City of San José Amending Ordinance No. 26916 to Appropriate Moneys in the General Fund for the Senior Staff Home Loan Assistance Program; and Providing That This Ordinance Shall Become Effective Immediately Upon Adoption”, was adopted. (9-0-2). Absent: Gregory; Gonzales.

- 2.5 (a) **Adoption of appropriation ordinance and funding sources resolution amendments in the Services for Redevelopment Capital Projects Fund (City-side Redevelopment Fund) for the Curb and Gutter Replacement Project (PSM 360) Project, in the amount of \$75,000.**
- (b) **Adoption of a resolution making certain determinations regarding the related expenditures of Redevelopment Agency funds on certain public improvements in connection with the Curb and Gutter Replacement Project as more specifically described in the memorandum from the Redevelopment Agency, dated March 23, 2004.**

CEQA: Not a Project. Council District 5. SNI: Gateway East. (City Manager's Office)

Documents Filed: Memorandum from Budget Director, Larry D. Lisenbee, dated May 5, 2004, recommending the adoption of said appropriation ordinances and said funding resolutions.

Action: Ordinance No. 27159 entitled, "An Ordinance of the City of San José Amending Ordinance No. 26916 to Appropriate Moneys in the Services for Redevelopment Capital Projects Fund for the Curb and Gutter Replacement Project; and Providing That This Ordinance Shall Become Effective Immediately Upon Adoption", and Resolution No. 72110 entitled, "A Resolution of the Council of the City of San José Amending Resolution No. 71608 Setting Forth the Estimated Sources of Funds for the Fiscal Year 2003-2004 to Adjust Revenues in the Services for Redevelopment Capital Projects Fund", were adopted. (9-0-2). Absent: Gregory; Gonzales.

- 2.6 **Approval of award of open purchase orders for supplies, materials, equipment, and services for FY 2003-2004 #21, and authorization for the Director of General Services to execute the purchase orders. CEQA: See memo for CEQA designation(s). (General Services)**

Documents Filed: Memorandum from Director of General Services Jose Obregon, dated May 5, 2004, recommending approval of award of said open purchases.

Action: The award of purchase orders List #21 for FY 2003-2004 was approved and execution of the purchase orders authorized. (9-0-2). Absent: Gregory; Gonzales.

- 2.7 **Approval to award the purchase of Storage Area Network (SAN) hardware including a storage processor, disk array, servers, and supporting software to DELL Marketing LP, as a sole source purchase, for a total cost of \$371,090 including delivery, installation, and tax; and authorize the Director of General Services to execute the purchase order. CEQA: Not a Project. (General Services/Information Technology)**

Documents Filed: Memorandum from Director of Housing Leslye Corsiglia, dated May 5, 2004, recommending the award of said purchase.

2.7 (Cont'd.)

Action: Upon motion by Council Member Williams, seconded by Council Member Cortese, and unanimously carried, the award of said purchase was approved and execution of the purchase orders were authorized. (9-0-2). Absent: Gregory; Gonzales.

2.8 Adoption of a resolution approving a funding commitment of up to \$360,000 to Bonita Condos LLC, or its designated affiliate entity, to provide City second mortgages to low-income households to assist in the purchase of condominium homes in the Bonita Court development located on the east side of Bonita Court, adjacent to the fly-over connector between southbound Highway 101 and northbound Interstate 280. CEQA: Not a Project. Council District 3. SNI: Five Wounds/Brookwood Terrace. (Housing)

Documents Filed: Memorandum from Director of Housing Leslye Corsiglia, May 5, 2004, recommending the said resolution.

Action: Resolution No. 72111 entitled, “A Resolution of the Council of the City of San José Approving a Funding Commitment in An Amount Not to Exceed \$360,000 to Bonita Condos LLC, or It’s Designated Affiliate Entity, for City Subordinate Mortgages for the Bonita Court Development”, was adopted. (9-0-2). Absent: Gregory; Gonzales.

2.9 Approval of a one-time increase in the maximum gated event fee from \$10 to \$13 per person, for the San José Gay Pride Festival to be held in Guadalupe River Park, Discovery Meadow, on June 12 and 13, 2004. CEQA: Not a Project. (Parks, Recreation and Neighborhood Services)

Documents Filed: Memorandum from Director of Parks, Recreation & Neighborhood Services Sara Hensley, dated May 5, 2004, recommending approval of said one-time increase.

Action: The said one-time increase in the maximum gated event fee for the San José Gay Pride Festival was approved.

2.10 Adoption of a resolution initiating proceedings and setting June 8, 2004 at 1:30 p.m. as the date for Council consideration on the reorganization of territory designated as Penitencia No. 71, which involves the annexation to the City of San José of 1.05 acres of land more or less, located at the on the east side of Noble Lane, approximately 550 feet northerly of Noble Avenue and adjacent to the City of San José annexations Penitencia No. 44 and Penitencia No. 56, and the detachment of the same from Central Fire Protection and Area No. 01 (Library Services) County Services. CEQA: Resolution No. 65459. Council District 4. (Planning, Building and Code Enforcement)

2.10 (Cont'd.)

Documents Filed: Memorandum from Director of Planning, Building & Code Enforcement Stephen Haase, dated May 5, 2004, recommending adoption of said resolution.

Action: Resolution No. 72112 entitled, "Resolution of the Council of the City of San José Initiating Reorganization Proceedings for the Annexation and Detachment of Certain Uninhabited Territory Designated as Penitencia No. 71 and Described Herein, and Setting the Date and Place for Consideration of Such Reorganization", was adopted. (9-0-2). Absent: Gregory; Gonzales.

2.11 Adoption of a resolution authorizing the City Manager to execute amendments to the following Plan Check consultant Contracts: 1) The Phillips Group; 2) Kutzmann & Associates; 3) Linhart, Petersen, Powers Associates; 4) R.K. Associates; 5) Esgil Corporation; to extend the term of the agreements from July 1, 2004 to June 30, 2005; and further to extend the term for such extension periods as determined to be in the City's interest without further City Council action. CEQA: Not a Project. (Planning, Building and Code Enforcement)

Documents Filed: Memorandum from Director of Planning, Building & Code Enforcement Stephen Haase, dated May 5, 2004, recommending adoption of said resolution.

Action: Resolution No. 72113 entitled, "A Resolution of the Council of the City of San José Authorizing the City Manager to Execute Amendments to the Agreements with Plan Check Consultants", was adopted. (9-0-2). Absent: Gregory; Gonzales.

2.12 Report on bids and award of contract for the Street Lights Crackdown 2004 Project to the low bidder, Pacific Electric Company, in the amount of \$133,800, and approval of a contingency in the amount of \$13,400. CEQA: Exempt, PP01-02-023. Council Districts 2, 3, 5, and 7. SNI: Washington, East Valley/680 Communities, Tully/Senter, Edenvale/Great Oaks. (Public Works)

Documents Filed: Memorandum from Director of Public Works Katy Allen, dated May 5, 2004, recommending said report on bids and award of said contract with related contingency.

Action: The said report on bids and award of contract to the low bidder, Pacific Electric Company was approved with related contingency. (9-0-2). Absent: Gregory; Gonzales.

2.13 Approval of modifications to the project schedule and continuation agreement with Bellecci & Associates, Inc., for consultant services for the Monterey Road Streetscape Improvement Project (Keyes Street/Curtner Avenue), at no additional cost. CEQA: Resolution No. 65657, PP01-07-135. Council Districts 3 and 7. SNI: Spartan/Keyes. (Public Works)

2.13 (Cont'd.)

Documents Filed: Memorandum from Director of Public Works Katy Allen, dated May 5, 2004, recommending approval of said modifications.

Action: The said modifications to the project schedule and continuation agreement with Bellecci & Associates, Inc were approved. (9-0-2). Absent: Gregory; Gonzales.

2.14 Approval of use of the HP Pavilion at San José for a Community Event date, at a 75% program funding level that is not to exceed \$30,000, for the Viet Et Foundation Summer Concert on June 19, 2004. CEQA: Not a Project. (San José Arena Authority)

Documents Filed: Memorandum from Executive Director of the San José Arena Authority Chris Morrissey, dated May 3, 2004, recommending approval of said Community Event at the HP Pavilion of San José.

Discussion: Council Member Cortese requested the City Manager's Office to ensure the Viet Et Foundation Summer Concert event meets the San José Arena Authority's event criteria and the organizing group's purpose for the event remains consistent with their original application.

Action: Upon motion by Council Member Cortese, seconded by Council Member Chavez, and unanimously carried, the said use of the HP Pavilion was approved with said direction to Staff. (9-0-2). Absent: Gregory; Gonzales.

2.15 Approval of use of the HP Pavilion for City Event dates for middle and high school graduations for June 2004. CEQA: Not a Project. (San José Arena Authority)

Documents Filed: Memorandum from Executive Director of San José Arena Authority Chris Morrissey, dated May 3, 2004, recommending said use of the HP Pavilion.

Action: The said use of the HP Pavilion was approved. (9-0-2). Absent: Gregory; Gonzales.

2.16 Adoption of a resolution approving various pedestrian and bicycle projects to be submitted for 2004-05 Transportation Development Act, Article 3 (TDA3) grant funding in the amount of \$587,068 and authorizing the City Manager to execute any documents necessary to accept any grant funds awarded to the City. CEQA: Exempt, PP04-04-141. (Transportation)

Documents Filed: Memorandum from Director of Transportation, James R. Helmer, dated May 5, 2004, recommending adoption of said resolution.

2.16 (Cont'd.)

Action: Resolution No. 72114 entitled, "A Resolution of the Council of the City of San José Approving the List of Proposed Projects for Fiscal Year 2004-2005 Transportation Development Act, Article 3 (TDA 3) Grant Funding, and Authorizing the City Manager to Negotiate and Execute the Necessary Grant Funding Agreements", was adopted. (9-0-2). Absent: Gregory; Gonzales.

2.17 Adoption of a resolution amending Resolution No. 69385 authorizing the installation of bicycle lanes at various locations. CEQA: Exempt, PP04-03-082, PP04-04-129. Council Districts 3 and 4. (Transportation)

Documents Filed: Memorandum from Director of Transportation, James R. Helmer, dated May 5, 2004, recommending adoption of said resolution.

Action: Resolution No. 72115 entitled, "A Resolution of the Council of the City of San José Designating Bicycle Lanes on Those Portions of Streets Specified Herein, Pursuant to the Authority of California Vehicle Code Section 21207; and Repealing Resolution No. 69385", was adopted. (9-0-2). Absent: Gregory; Gonzales.

2.18 Adoption of a resolution to set forth a schedule of parking penalties and a late payment surcharge and repealing Resolution No. 71668. CEQA: Not a Project. (Transportation)

Documents Filed: Memorandum from Director of Transportation, James R. Helmer, dated May 20, 2004, recommending adoption of said resolution.

Action: Resolution No. 72116 entitled, "A Resolution of the Council of the City of San José Setting Forth the Schedule of Parking Penalties for Parking Violations, and Repealing Resolution No. 71668, Effective July 1, 2004", was adopted. (9-0-2). Absent: Gregory; Gonzales.

2.19 Approval of Mayor Gonzales' travel to Baltimore, Maryland, May 25-26, 2004, for a Council meeting of the National League of Cities Council on Youth, Education, and Families. Funding: National League of Cities. (Mayor) (Rules in Lieu referral 5/19/04)

Documents Filed: Memorandum from Mayor Gonzales, dated May 19, 2004, recommending said Mayor Gonzales' travel.

Action: Mayor Gonzales' travel to Baltimore, Maryland was approved. (9-0-2). Absent: Gregory; Gonzales.

2.20 Approval of Vice Mayor Pat Dando's travel to Washington, D.C., May 26-30, 2004, to lead the City of San José Delegation at the World War II Memorial Dedication Ceremony and Annual Conference. Funding: District 10 budget. (Dando) (Rules in Lieu referral 5/19/04)

Documents Filed: None.

Action: Vice Mayor Dando's travel to Washington, D.C., was approved. (9-0-2). Absent: Gregory; Gonzales.

STRATEGIC SUPPORT SERVICES

3.1 Report of the Study Session

Mayor Gonzales, Chair

Documents Filed: The Study Session report of April 12, 2004.

- (a) April 12, 2004 - Airport Improvement Program Study Session. Attachment: Memorandum from Aviation Director Ralph G. Tonseth, Airport Senior David Maas, Airport Design Manager Doug Jones, Facilitator Eileen Goodwin, Assistant City Clerk Nancy Alford, Legislative Secretary Susan Davis

Action: Upon motion by Council Member Chavez, seconded by Council Member Cortese, and unanimously carried, the minutes were accepted. (9-0-2). Absent: Gregory; Gonzales.

3.2 Report of the Rules Committee – May 12, 2004

Vice Mayor Dando, Chair

Documents Filed: The Rules Committee report of May 12, 2004.

- (a) Redevelopment Agency items reported out at Redevelopment Agency meeting
(b) City Council
(1) Review May 25, 2004 Draft Agenda

The Committee recommended approval of the May 25, 2004 City Council agenda with one addition and one deletion.

- (2) Add New Items to May 18, 2004 Amended Agenda
- Mayor and Council Member Requests
 - City Manager Requests
 - City Attorney Requests
 - City Clerk Requests

3.2 Report of the Rules Committee – May 12, 2004 (Cont'd.)

- (2) Add New Items to May 18, 2004 Amended Agenda (Cont'd.)

The Committee recommended ten additions to the May 18, 2004 City Council agenda.

- (3) List of Reports Outstanding. Attachment: Report from the City Manager's Office, dated May 11, 2004, listing seven staff reports outstanding for the May 18, 2004 Council agenda.

The Committee noted and filed the City Manager's report stating there are seven staff reports outstanding for the May 18, 2004 Council agenda.

- (c) Legislative Update

- (1) State

- (a) ACA 21 (Bogh), regarding motor vehicle fuel; ACA 24 (Dutra), transportation investment fund; loans; ACA 29 (Harman), transportation investment fund; SCA 20 (Torkalson), motor vehicle fuel sales tax revenue. Attachment: Memorandum from Director of Intergovernmental Relations Betsy Shotwell., dated May 7, 2004, recommending a support position for four State legislative bills pertaining to transportation funding and major infrastructure projects.

The Committee recommended a support position for ACA 21 (Bogh), ACA 24 (Dutra), ACA 29 (Harman), and SCA 20 (Torlakson).

- (b) Report on proposed State bills pertaining to sexually violent predators. Attachment: Memorandum from Director of Intergovernmental Relations Betsy Shotwell., dated May 11, 2004, recommending a support position for two Assembly bills pertaining to sexually violent predators.

The Committee recommended no action on AB 493 (Salinas). The Committee recommended support of AB 2450 (Canciamilla) with staff and Committee recommendations regarding serial placement notifications, unfounded mandates for monitoring of placements, placements being spread evenly throughout County/State; and community notification of placement. Staff directed to track amendments to AB2450 for revisions which might alter the Committee's position to support.

- (2) Federal –There was no report.

3.2 Report of the Rules Committee – May 12, 2004 (Cont'd.)

- (d) Meeting Schedules – There were none.
- (e) The Public Record. Attachment: Memorandum from City Clerk Lee Price, dated May 6, 2004 transmitting items filed for the Public Record for the period April 28 – May 4, 2004 – The Committee noted and filed the Public Record.
- (f) Appointment to Boards, Commissions and Committees – There were none.
- (g) Rules Committee Reviews, Recommendations and Approvals
 - (1) Results of outreach and negotiation for “Evergreen Specific Plan Construction Tax, Building and Structures Tax, and Residential Construction Tax Fee Suspension/Exemption Renewal”. Attachment: Memorandum from Director of Public Works Katy Allen, dated May 10, 2004, regarding the proposal for reinstatement of Evergreen Specific Plan fire and housing incentive zone building tax suspensions.

The Committee recommended approval of staff recommendation.

- (2) Verbal report on proposed dates for report schedule on Public Art Process for the Norman Y. Mineta San José International Airport and the Public Art Policy presentation

The Committee requested staff to return on May 26, 2004 with written report including a schedule of intended community meetings. Staff to provide Council a current list of Airport Public Art Steering Committee members by Council district (residence or business) and affiliation, if any. Council Members to be given opportunity to recommend expansion of the composition of this committee. Staff will return in August with a comprehensive report on the Public Art Program and policies.

- (3) Request for recommendation to donate or sell surplus rubber tired wheel loader. Attachment: Memorandum from Director of General Services Jose Obregon, dated May 7, 2004, giving notice of surplus property available for sale or donation.

The Committee recommended approval of staff recommendation.

- (h) Oral communications – None were presented.
- (i) Adjournment

The meeting adjourned at 2:35 P.M.

3.2 Report of the Rules Committee – May 12, 2004 (Cont'd.)

Action: Upon motion by Council Member Cortese, seconded by Council Member Chavez, and unanimously carried, the Rules Committee report and actions of May 12, 2003 were accepted. (9-0-2). Absent: Gregory; Gonzales.

3.3 Report of the Making Government Work Better Committee – May 12, 2004 Council Member Campos, Chair

Documents Filed: The Making Government Work Better Committee report of May 12, 2004.

- (a) Investment Report. Attachment: Memorandum from Finance Director Scott P. Johnson , dated May 5, 2004, recommending acceptance of the City's Investment Report.

The Committee accepted the staff report.

- (b) Information Technology Audit – Deferred until August.
- (c) Update of Major Information Technology Projects. Attachment: Memorandum from Information Technology Planning Board, dated May 3, 2004, recommending acceptance of the Status Report on Major Information Technology Projects.

The Committee accepted the staff report.

- (d) Redevelopment Agency Disposition and Development Agreements

Deferred to the Next Fiscal Year Workplan.

- (e) Workforce Investment Network Service Delivery and Development Agreements. Attachment: Memorandum from City Auditor, Gerald Silva, dated April 22, 2004, transmitting the Silicon Valley Workforce Investment Network Audit.

The Committee accepted the staff report.

- (f) School Crossing Guards Audit – Deferred until June.
- (g) Follow-up on Effectiveness of Current City and Redevelopment Agency Community Outreach –Deferred until June.
- (h) Oral petitions – None.
- (i) Adjournment –The Committee was adjourned at 3:40 P.M.

3.3 Report of the Making Government Work Better Committee – May 12, 2004 (Cont'd.)

Action: Upon motion by Council Member Campos, seconded by Council Member Williams, and unanimously carried, the Making Government Work Better Committee report and actions of May 12, 2004 were accepted. (9-0-2). Absent: Gregory; Gonzales.

**3.4 Postpone the Planning Commission interviews scheduled for June 1st and direct the City Clerk to extend the application deadline for Planning Commission applications for two weeks. (LeZotte)
(Orders of the Day)**

Documents Filed: Memorandum from Council Member LeZotte, dated May 21, 2004, recommending the postponement of the Planning Commission Application Deadline.

Motion: Council Member LeZotte moved approval of the Staff recommendation, seconded by Council Member Chavez.

Discussion: Council Member Reed requested the City Clerk to extend the recruitment for two weeks. Vice Mayor Dando requested the City Clerk to reschedule the Planning Commission interviews by the end of June.

Action: On a call for the motion, the Planning Commission interviews scheduled for June 1st were postponed and the recruitment deadline extended for two weeks with additional direction to the City Clerk to re-schedule the interviews for the last week of June. (9-0-2). Absent: Gregory; Gonzales.

ECONOMIC & NEIGHBORHOOD DEVELOPMENT

4.3 Report on bids and award of contract for the Berryessa Road Improvement Project to the low bidder, O.C. Jones & Sons, Inc., in the amount of \$747,948.50, and approval of a contingency in the amount of \$38,000. CEQA: Exempt, PP 04-01-022. Council District 4. (Public Works/Transportation)

Documents Filed: Memorandum from Director of Public Works Katy Allen and Director of Transportation, James R. Helmer, dated May 5, 2004, recommending said report on bids and said award.

Action: Upon motion by Council Member Reed, seconded by Council Member Campos, and unanimously carried, the said report on bids and award was approved with related contingency. (9-0-2). Absent: Gregory; Gonzales.

- 4.4 (a) **Authorize the Housing Department to work with housing advocacy groups, the lending community, and San Jose's Financial Literacy Campaign to form a comprehensive anti-predatory lending program that includes counseling, outreach, and education.**
- (b) **Await decisions by the California Supreme Court, which is considering the constitutionality of the City of Oakland's predatory lending ordinance, and Congress, which is considering legislation that would restrict local actions relating to predatory lending, before taking any additional action on an ordinance or other measures.**

CEQA: Not a Project. (Housing)

Documents Filed: None.

Action: This item was deferred to June 1, 2004.

ENVIRONMENTAL & UTILITY SERVICES

- 7.1 **Report on bids and approval of award of contract to the low bidder, San José Water Company, in the amount not to exceed \$503,805.50, for installation of potable/non-potable water services and mains in 2004-2005. CEQA: Exempt, PP85-8-183 and PP91-07-173. (Environmental Services)**

Documents Filed: Memorandum from Director of Environmental Services, Carl Mosher, dated May 14, 2004, recommending said report on bids and said award.

Action: Upon motion by Council Member Chavez, seconded by Council Member Cortese, and unanimously carried, the report was approved. (9-0-2). Absent: Gregory; Gonzales.

- 7.2 **Report on bids and award of contract for the construction project entitled, "San José/Santa Clara Water Pollution Control Plant, FY 2003/2004 Capital Improvement Program, Filter Influent and Effluent Flow Meter Replacement," to the low bidder, Anderson Pacific Engineering Construction Incorporated, in the amount of \$467,000, and approval of a contingency in the amount of \$46,700. CEQA: Exempt, PP03-11-356. (Environmental Services)**

Documents Filed: Memorandum from Director of Environmental Services, Carl Mosher, dated May 5, 2004, recommending said report on bids and said award.

Action: Upon motion by Council Member Chavez, seconded by Council Member Yeager, and unanimously carried, the said report on bids and award was approved with related contingency. (9-0-2). Absent: Gregory; Gonzales.

AVIATION SERVICES

8.1 Adoption of a resolution authorizing the City Manager to:

- (a) Negotiate and execute an agreement with Campbell-Hill Aviation Group, Inc. to conduct air service development consulting for Norman Y. Mineta San José International Airport for the for the period of July 1, 2004 through June 30, 2005, in an amount not to exceed \$200,000; and
- (b) Exercise up to three one-year options to extend the agreement on a fiscal year basis to June 30, 2008, for a total amount not to exceed \$800,000, subject to annual appropriation of funding for each option year.

CEQA: Resolution Nos. 67380 and 71451, PP04-05-161. (Airport)

Documents Filed: Memorandum from Aviation Director Ralph G. Tonseth, dated May 5, 2004, recommending adoption of said resolution.

Discussion: Council Member Williams requested staff to report back to Council on the progress of this agreement before the next option to extend and to consider bringing the report back through the Driving a Strong Economy Committee for review.

Action: Upon motion by Council Member Williams, seconded by Council Member Yeager, and unanimously carried, Resolution No. 72117, entitled: "A Resolution of the Council of the City of San José Authorizing the City Manager to Negotiate and Execute an Agreement with Campbell-Hill Aviation Group, Inc. for Air Service Development Consulting for the Norman Y. Mineta San José International Airport for the Period July 1, 2004 Through June 30, 2005, with Three (3) One-Year Options to Extend to June 30, 2008 for a Total Amount Not to Exceed \$800,000", was adopted with direction to Staff to report back to Council on the progress of this agreement before the next option to extend. (9-0-2). Absent: Gregory; Gonzales.

JOINT COUNCIL/REDEVELOPMENT AGENCY

The Redevelopment Agency Board convened at 2:01 P.M. to consider item 10.1 in a Joint Session

- 10.1 (a) Approval of an ordinance by the City Council amending Chapters 14.25 (Park Impact Ordinance) and 19.38 (Parkland Dedication Ordinance) of the San José Municipal Code, in order to commence the exemption for units affordable to low-income residents on November 1, 2004, and to extend the Parkland In-Lieu Fee Voucher Program for eligible low-income residential units.**
- (b) Adoption of resolutions by the City Council and the Redevelopment Agency Board approving the Parkland In-Lieu Fee Voucher Program for the payment of subsidized parkland fees for low-income units by the Redevelopment Agency.**

CEQA: Not a Project. SNI: All. (City Manager's Office/Redevelopment Agency)
(Deferred from 5/18/04 – Item 10.5)

10.1 (Cont'd.)

Documents Filed: Memorandum from City Manager Del D. Borgsdorf and Deputy Executive Director of Redevelopment Agency, Harry Mavrogenes, dated May 21, 2004, recommending approval of said ordinance and resolutions.

Motion: Council Member Williams moved approval of said ordinance and resolutions, seconded by Council Member Campos.

Discussion: Council Member Chavez asked Staff to provide a full report to Council on program funding, how the voucher program matches to other PDO/PIO requirements, and how will the program subsidize the expenses for affordable housing. She requested staff to provide Council with an analysis of program effectiveness. Deputy Director of Parks, Recreation and Neighborhood Services Scott Reese stated his department has been planning to provide an analysis and they delayed the consideration of the other modifications to the PDO/PIO in order for both projects to coincide.

Council Member LeZotte stated she would not be supporting the motion since she would not feel secure in setting aside funds for projects that have yet to be approved and prior to the Redevelopment Agency Board budget reviews scheduled for August 2004.

Action: On a call for the motion, Ordinance No. 27160, entitled: "An Ordinance of the City of San José Amending Sections 14.25.520 and 14.25.530 of Chapter 14.25 of Title 14 and Section 19.38.520 and 19.38.530 of Chapter 19.38 of Title 19 of the San José Municipal Code to Extend the Low Income Unit Exemptions and Also Continue the Low Income Payment Procedures in the Park Impact Fee and Parkland Dedication Ordinances Until November 1, 2004", was passed for publication and Resolution No. 72118, entitled: "A Resolution of the Council of the City of San José Approving the Extension of the Parkland In-Lieu Fee Voucher Program for Low Income Units Until November 1, 2004 and Agency Resolution No. 5504 were adopted. (9-1-2). Noes: LeZotte. Absent: Gregory: Gonzales.

The Redevelopment Agency Board portion of the meeting adjourned at 2:09 P.M.

NOTICE OF CITY ENGINEER'S PENDING DECISION ON FINAL MAPS

In accordance with Sec. 19.16.140d of the San Jose Municipal Code, this is notice of the City Engineer's pending decision on the following Final Maps:

None.

In accordance with Sec. 19.16.140d of the San Jose Municipal Code, this is notice of the City Engineer's receipt of the following Final Maps for review:

<u>Tract</u>	<u>Location</u>	<u>Council District</u>	<u>Developer</u>	<u>Lots/Units</u>	<u>Type</u>
9515	n/s Curtner Ave., e/o Highway 87	7	SummerHill Homes	153 Lots/132 Units	SFD & SFA

OPEN FORUM—

- (1) Ross Signorino spoke on local sports team stadium issues.
- (2) Greg Branscum spoke about the Goble Lane mobile home park land change issues
- (3) Gloria Branscum spoke on Goble Lane mobile home land change issues.

ADJOURNMENT

The Council of the City of San José adjourned at 2:16 P.M.

RON GONZALES, MAYOR

ATTEST:

LEE PRICE, C.M.C, CITY CLERK

EW/5-25-04